

**ANNUAL REPORT  
MARCH 2009-10**

**ESaar (India) Limited**

# ESAAR (INDIA) LIMITED

## BOARD OF DIRECTORS :

O. P. Saxena	Chairman
Sameer Saxena	Managing Director
Bajrang Lal Sarda	Director
Prasanto Bandyopadhyay	Director
R. K. Bhalotia	Director
Kailash Dhanuka	Director
Tanu Agarwal	Director
Giriraj Kishore Agarwal	Director

## SHARE REGISTRARS :

S. K. Computers  
34/1A, S. K. Chatterjee Street  
Kolkata - 700 006

## AUDITORS :

Agarwal Gupta Nokari & Rustagi Associates  
Chartered Accountants

## BANKERS :

Allahabad Bank  
The Bank of Rajasthan Ltd.  
Indian Bank  
H.S.B.C  
Federal Bank Ltd.

## REGISTERED OFFICE :

4A, Council House Street  
Kolkata - 700 001  
Phone : (033) 2248 7017  
Fax : (033) 2248 7018

**ESAAAR (INDIA) LIMITED**

**NOTICE TO THE SHAREHOLDERS**

NOTICE is hereby given that the Annual General Meeting of the Members of ESAAR (INDIA) LIMITED will be held at its Registered Office at 4A, Council House Street, 1st Floor, Kolkata - 700 001, on 29th September, 2010 at 1.00 P.M. to transact the following business :

*Ordinary Business :*

1. To receive, consider and adopt the Director's Report and Audited Profit & Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at the date and the Auditors Report thereon.
2. To appoint Director in place of Mr. Kailash Dhanuka, Mr. Tanu Agarwal & Mr. Giriraj Kishore Agarwal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

Registered Office :  
4A, Council House Street  
1st Floor  
Kolkata - 700 001.

Dated, the 31st day of August, 2010

By order of the Board

(O. P. SAXENA)

Chairman

**Notes :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. Members/Proxies are requested to fill in the enclosed attendance slip and deposit the same at the entrance of the Meeting Hall.
3. As measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of Annual Report at the meeting.
4. The Book Closure date of the Company is from 22nd September, 2010 to 29th September, 2010 inclusive of both days.

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 58th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2010.

**FINANCIAL RESULTS :**

	<u>2010</u>	<u>2009</u>
Gross Turnover	26,159,714	19,071,202
Profit / (Loss) before Tax	128,928	1,938,036
Less : Provision for Taxation	20,000	199,700
Provision for FBT	—	17,010
Deffered Tax	(270,726)	—
Profit / (Loss) after Tax	379,654	1,721,326
Add : Balance brought forward from last year	5,424,052	3,702,726
Balance Sheet carried forward	<u>5,803,706</u>	<u>5,424,052</u>

**PERFORMANCE :**

During the year, the company has mainly concentrated on recovering of loans and advances given to the parties.

**DIVIDEND :**

The Directors do not recommend any dividend for the year.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

As required under section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ending 31st March, 2010 and of the profit of the company for that period;
- iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their ability;
- iv) the directors have prepared the Annual Accounts on a going concern basis.

# **ESAAR (INDIA) LIMITED**

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## **CORPORATE GOVERNANCE**

The code of Corporate Governance as provided in the Listing Agreements of the Stock Exchanges is applicable to the Company.

## **SEGMENT REPORTING**

The Company has three segments, hence discloses in accordance with Accounting Standard on Segment Reporting (AS-17) have been presented.

## **RESERVE BANK OF INDIA GUIDELINES FOR NBFCs**

### **(Non Banking Financial Companies)**

The Guidelines of Reserve Bank of India have been revised time and again during the year under review. The Company has observed all the prudential norms prescribed by Reserve Bank of India.

## **DEPOSIT**

The Company has not accepted any deposit during the year ended 31st March 2010 from public.

## **AUDITORS**

Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuring Annual General Meeting and being eligible, offer themselves for reappointment. Your company has received a certificate from Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants, to the effect that the appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act 1956.

The observations made by the auditors are self-explanatory and require no further explanation.

## **DISCLOSURE OF PARTICULARS**

The Company has no employee in the category as specified in the provisions of Section 217(2A) of the Companies Act, 1956.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING**

The Company being in the financial sector, disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable. The Company has no foreign exchange inflow or outflow during the year under review.

## **ACKNOWLEDGEMENTS**

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

Registered Office :

4A, Council House Street  
1st Floor, Kolkata - 700 001.

For and on behalf of the Board of Directors

(O. P. SAXENA)

Chairman

Dated, the 31st day of August, 2010

**AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**

*Chartered Accountants*

12, Waterloo Street, Kolkata - 700 069

Phone : 2248 7696, 3296 2308, Fax : 033-2248 3151

**COMPLIANCE CERTIFICATE**

**TO THE MEMBERS OF ESAAR (INDIA) LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by M/S. ESAAR (INDIA) LIMITED for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges with the relevant records and documents maintained by the company and furnished to us.
2. Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of the effectiveness with which the management has conducted the affairs of the Company.
4. During the year Company has not received any grievances from any shareholders as per the records maintained by the Company.
5. On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange have been complied with in all respect except for discrepancies stated in the Corporate Governance Report by the Company.

For **AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**  
Chartered Accountants

**(B. C. KHAITAN)**

Partner

Membership No. 17387

12, Waterloo Street, Kolkata - 700 069

Dated, the 27th day of August, 2010

# ESAAR (INDIA) LIMITED

## REPORT ON CORPORATE GOVERNANCE

### 1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company has always recognised the importance of high standards of Corporate Governance. In the past, shareholders were provided all material information in the most transparent manner. It has been the practice in your Company to encourage wider and active participation from shareholders at every General Meeting, this provided opportunity for the Directors to interact with the main shareholders. The Company has taken series of steps to comply with the Clause 49 of the listing agreement. The Company has appointed three new Independent Directors in 2010.

### 2) BOARD OF DIRECTORS

As at 31st March, 2010, the Board of Directors of the Company consists of five members two of whom are independent.

#### A) THE COMPOSITION OF THE RESTRUCTURED BOARD IS AS UNDER

<u>NAME OF THE DIRECTOR</u>	<u>CATEGORY</u>
Mr. Sameer Saxena	Managing Director
Mr. O. P. Saxena	Director (Non Executive)
Mr. Prasanta Bandyopadhyay	—do—
Mr. Raj Kumar Bhalotia	Independent Director
Mr. Bajrang Lal Sharda	—do—
Mr. Kailash Dhanuka	—do—
Mr. Giriraj Kishore Agarwal	—do—
Mr. Tanu Agarwal	—do—

#### B) MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors provide the strategic direction and trust to the operations of the company. During the period under review 5(Five) Board Meetings were held on 25th April 2009, 29th July, 2009, 22nd August 2009, 31st October 2009 & 30th January 2010.

Attendance of each Director at Board Meetings and Annual General Meeting (AGM) was as follows :-

<u>Sl. No.</u>	<u>Name of the Director</u>	<u>No of Board Meetings attended</u>	<u>Attendance at AGM held on 29.09.2009</u>
1.	Mr. Sameer Saxena	5	Yes
2.	Mr. O. P. Saxena	5	Yes
3.	Mr. Prasanta Bandyopadhyay	5	Yes
4.	Mr. Bajrang Lal Sharda	5	Yes
5.	Mr. Raj Kumar Bhalotia	5	Yes

### 3) DETAILS OF DIRECTORS

<u>Name of the Director</u>	<u>Directorship in No. of other Pvt. Ltd. Co.</u>	<u>Directorship in Public Ltd. Co.</u>
Mr. Sameer Saxena	16	3
Mr. O. P. Saxena	8	3
Mr. Prasanta Bandyopadhyay	2	3
Mr. Raj Kumar Bhalotia	Nil	Nil
Mr. Bajrang Lal Sharda	Nil	Nil

4) **AUDIT COMMITTEE**

An Audit Committee of the Board was constituted on 31st January, 2002 with the following terms of reference :-

- a) Overseeing of the Company's Financial reporting process and the disclosure of its Financial information to ensure that the Financial Statements are correct sufficient and credible.
- b) Re-commending the appointment and removal of external auditors, fixation of audit fees and also approval for payment for any services.
- c) Reviewing with management the annual financial statements before submission to the Board, focussing primarily on :-
  - \* Any changes in accounting policies and practices.
  - \* Major accounting entries based on exercise or judgement by management.
  - \* Qualifications in draft audit report.
  - \* Significant adjustments arising out of audit.
  - \* The going concern assumption.
  - \* Compliance with accounting standards.
  - \* Compliance with Stock Exchange (s) and legal requirements concerning financial statements.
  - \* Any related Compliance with Stock Exchange (s) and legal requirements concerning financial statements.
  - \* Transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives or etc. that may have potential conflict with the interests of the company at large.
- d) Reviewing with the management, external and internal auditors the adequacy of internal control system.
- e) Discussion with external auditors before the audit commences, nature and scope of audit as well as having post-audit discussion to ascertain any areas of concern.
- f) Reviewing the Company's financial and risk management policies.
- g) To look in to the reasons for substantial defaults in payment to depositors, Shareholders (in case of non-payment of declared dividend) and creditors.

ii) Composition, Name of Members and Chairman

During the year ended 31st March, 2010, 5(Five) meetings of the Audit Committee were held, the dates being 25th April, 2009, 29th July 2009, 31st October 2009, and 30th January 2010.

<u>Members</u>	<u>Meetings attended</u>
Mr. Raj Kumar Bhalotia	-do- 5
Mr. Bajrang Lal Sarda	-do- 5

iii) **CHAIRMAN**

Mr. Prasanta Bandyopadhyay, Director is the Chairman of the Audit Committee.

- iv) Invitees entitled to attend as per relevant, provisions,
  - a) The Statutory Auditors



## **ESAAAR (INDIA) LIMITED**

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### **5) BOARD PROCEDURE**

In the year 2009-2010 Meetings for the Board were held. The intervening period between two Board meetings was within the maximum time gap of three months prescribed in clause 49 of the Listing Agreement. The minimum information to be made available to the Board as per Annexure forming part of clause 49 has been complied with. Information on Foreign Exchange exposures are not applicable, as company has no foreign exchange earning or outgo.

### **6) MANAGEMENT**

Management discussions and analysis are a part of the annual report.

### **7) SHARE HOLDING INFORMATION**

#### **A) DISCLOSURE REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTOR**

Pursuant to the provisions of the companies Act, 1956 Mr. Kailash Dhanuka, Mr. Giriraj Kishore Agarwal & Mrs. Tanu Agarwal retires at the Annual General Meeting and retiring by rotation as specified in the notice offer themselves for re-appointment.

#### **B) DISCLOSURES**

- i) As per written explanation obtained from the management there were no transaction of material nature with Directors / Promoters or any other related entity, having potential conflict with the interests of the Company at large.
- ii) As per the Written explanation obtained from the management there is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other Statutory authority on any matter related to Capital Markets during the last three years/periods.
- iii) Quarterly / Yearly "Limited Review" was conducted by the auditors during 2009-2010.

#### **C) PUBLICATION OF FINANCIAL RESULTS**

The Company publishes its quarterly, half yearly and Annual Financial Results.

#### **D) SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE OF BOARD**

The Company formed the Shareholders' & Investors Grievances Committee of Board in the meeting of the Board held on January 31, 2002. This Committee is chaired by Mr. Bajrang Lal Sarda, Director. The other members are Mr. Sameer Saxena and Mr. O. P. Saxena. As per written explanation obtained from the management the Company has not received any complaint from its shareholders/Investors during the year.

#### **E) SHARE TRANSFER COMMITTEE OF BOARD**

The Registrar and share transfer Agent, was delegated authority to attend to share transfer formalities at least once in a fortnight, to be subsequently rectified by the Share Transfer Committee of Board. This was done mainly to expedite the process of share transfer in the interest of share holders and the investors.

### **9) GENERAL INFORMATION**

